

PRESS RELEASE
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Roxas Holdings, Global Power sign MOU for cogen project

Roxas Holdings, Inc. (RHI; PSEi: ROX), the country's largest integrated sugar business, and Global Business Power Corporation (GBPC), a leading power producer in the Visayas and the power generation component company of GT Capital Holdings, Inc., recently signed a memorandum of agreement to undertake a Front-End Engineering Design (FEED) study and other pre-development activities for a 40-megawatt cogeneration facility in La Carlota City, Negros Occidental.

The memorandum details the parties' respective duties and responsibilities in the financing, design, construction, ownership and operation of a 40-MW biomass power plant which will be located within the premises of RHI's Central Azucarera de la Carlota, Inc. The biomass power plant is targeted for completion by 2017. The parties have agreed to establish a joint venture company to operate the plant.

In a statement, RHI Chairman Pedro E. Roxas said the cogeneration project is crucial given the country's power situation and expects to eventually contribute excess power to the national grid.

"The cogeneration project will not only help stabilise the power supply in our Negros Occidental plant but will also address the growing concern on energy supply," Mr. Roxas said.

RHI President and CEO Renato C. Valencia added that the project allows RHI to align its operations to global standards.

"With the ASEAN Free Trade Agreement in place by 2015, the project will enable us to minimize our production cost and optimize our efficiency to stay competitive with our ASEAN neighbors," Mr. Valencia said.

Meanwhile, GBPC's Executive Vice President Jaime T. Azurin said that the company's first venture in renewable energy is a welcome addition to its current portfolio.

"This joint venture is an integration of GBPC and RHI's complementary businesses to enhance growth opportunities in our respective industries. We are constantly exploring new energy sources as we remain committed in providing adequate, reliable and cost-efficient power supply to support the development of existing and emerging markets in the country," said Mr. Azurin.

GBPC has coal and diesel-fired power generation facilities that are capable of supplying base, intermediate, peak load and ancillary support. Having diversified power generation facilities, GBPC offers flexible energy solutions that can serve the varying power requirements of the market.